



(shows lot #4702 with steers walking in field) 4702 by Larry Walker- 54 Holstein steers at 900 ...

[Preview continues in similar fashion through all lots offered for sale]

**(2) Superior Livestock Auction on RFD-TV
May 4, 2006**

Total Program Length: Four and one-half (4.5) Hours

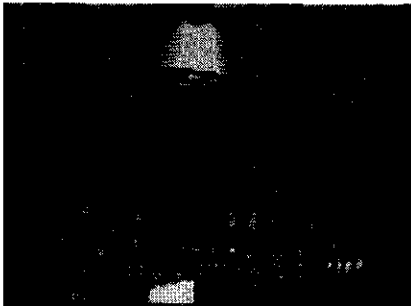
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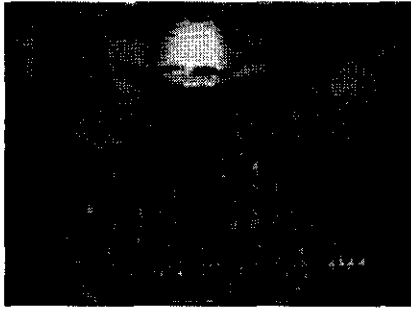
[Music]



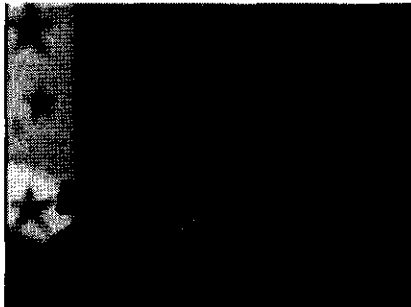
[Clyde Whittle] Comin' to you live from our studios in the stockyards at Forth Worth Texas, it's Superior Livestock and time to begin today's auction. Now here's the general manager of North America's largest livestock auction company, Mr. Jim Odle.



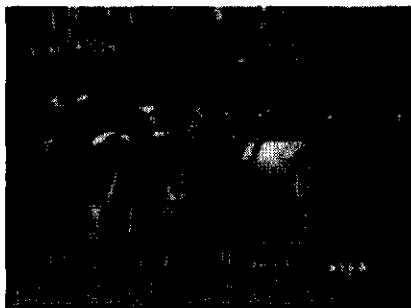
[Jim Odle] Hey Clyde Whittle. Thank you very very much. Ladies and gentlemen it's a beautiful day here in Ft. Worth Texas. The country's green. They had a nice rain thru this part of the world. Last week I had an opportunity to go up thru Wyoming and most all of Montana. That country's looking good. There's a few dry spots kind of around Brush, Colorado and uh like that. But most of the country's looking pretty good. It's always nice to see this summer come and this good Spring and this grass coming on. We have a great offering today of livestock throughout the United States. It'll give you an opportunity wherever you might live to kind of see what the market is all about - and to see what true price discovery is and to see what your cattle might be worth if you're get - getting ready to market your livestock. It's so important in agriculture to have an opportunity to know what is going on in your business. And the only way that you really know is through a great channel like RFD-TV is, so you can see it in your own home and see what your neighbor's cattle might bring, or your neighbor's wheat might have done, or any of the good programming that you get to see. And we hope today if you're getting ready to market cattle that we'll be able to help you in some way of knowing what the value of your cattle really are.



Because we have all classes, today we'll be offering yearlings and then the good bred stock this afternoon. And tomorrow we'll be on these good calves from Florida to Washington State, to give you an opportunity throughout the world to see what these cattle are really doin'. Our next auction be coming up in two weeks. It'll be right here on RFD again. And that'll be our last big auction we have 'til we start on our big sales this summer. And of course our big sale – our first sale – will be in Council Bluffs, Iowa. And that's going to be a great auction as it always is. We have a lot of good cattle already consigned. This coming Saturday Joe Litke has a good sale. It'll be for the ABBI ... that'll be the buck and bull association. They're havin' their female sale right here on RFD. It'll be interesting to watch and to see what's going on in that industry too. You know, as we go thru the country we see a lot of things and sometimes sayings on caps and shirts really don't mean nothin', but this saying really has something I think that really hits a point. It says "Not as mean, Sure not as lean, But still a Marine." (close-up on ball cap that says 'not as lean, not as mean but still a Marine') And so, Bill, it fits you just perfect - especially that center part in there! But ladies and gentlemen, hey we're gonna' have a really good sale today. We hope you enjoy it. We hope it'll help you in some way. And let's get started and with that first description – Mr. Clyde Whittle.



[Clyde Whittle] Thank you, Jim. And good morning ladies and gentlemen and welcome to today's Superior Livestock Auction. Our first lot today is number 4701, (video of cattle in field, with lot identification and statistics)



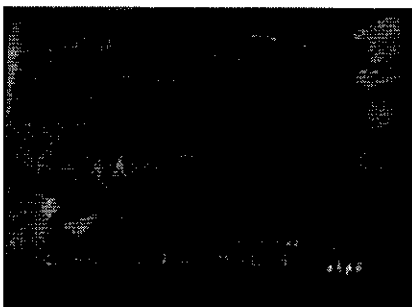
the A lot, by Mike West and Gary Coffey. 100 Holstein steers with a base weight of 490 at Russell Springs, Kentucky. Like to go with them May 11-24. Ten cents live, and the buyer has the option on the next lot. Ladies and gentlemen, your friend and mine, from the great State of Oklahoma our world champion {auctioneer} Ralph Wade.



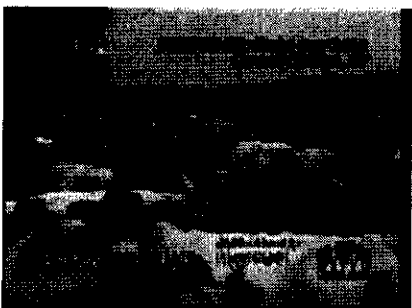
[Ralph Wade live on-camera] All right. Thank you Clyde. Thank you Jim. Good good morning to everybody. We've got a good crowd on hand right here in Fort Worth buddy (video of cattle in field, with lot identification and statistics) and as Jim said, a beautiful day. I drove down this morning from up there in Oklahoma- drove in rain all the way. All the way to the door right here in Fort Worth. (live video of auctioneer's table with spotter/clerk in Fort Worth) It's great- it's green. The grass is growing and ole' glory got 2 ½ inches. That's quite a feat right there. Good morning to you (video of cattle in field, with lot identification and statistics), Susie. And good morning to my good friend George and his lovely wife down there [location audible]. All right here we go. And I know they're tuned in - they always do.



[Auction Starts]



[Description: Auctioneer is calling the sale... viewer sees & hears spotters yelling & taking live bids.]

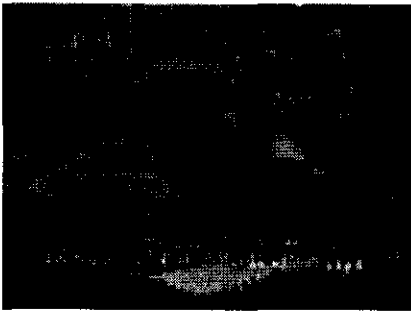


[Video of cattle lot rolls ...]

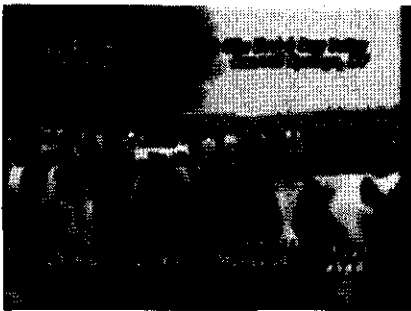
[Live auction bidding by RFD viewers continues ...]



[Live auction bidding by RFD viewers continues . . . with live cut-away to Fort Worth with rows of tables with Superior location-bidders on the phone with actual bidders watching the auction (and specific lot) on RFD.]



[Live auction bidding by RFD viewers continues ...]



[The current bid is shown in the upper left-hand corner below lot #. Spotters are taking bids.]



[Live auction bidding by RFD viewers continues ...]



[Live auction bidding by RFD viewers continues ...]



[Live auction bidding by RFD viewers continues ...]



[Live auction bidding by RFD viewers continues ...]



#4701 ends with "SOLD" ... \$111.50.



[Ralph Wade] Next lot.

[Auction of lot 4702 begins ...]

[Clyde Whittle] Lot 4702 by Joe Byer. Fifty-one Holstein steers at 915. A change in your base weight. It is now 915.



[Live auction bidding by RFD viewers continues ...]

[Live Auction Continues ...]

[Total May 4th Program: 9:00 am to 2:30 pm]

Exhibit C

RFD-TV Paid Corporate Productions

(1) Highlights Video Transcript

RFD-Live with Specialty Fertilizer Products (SFP)

April 10, 2006

Total Program Length: 60 minutes

On set with SFP logo behind panelists

All graphic identification included the SFP logo

All company & product brand names are identified here in CAPS

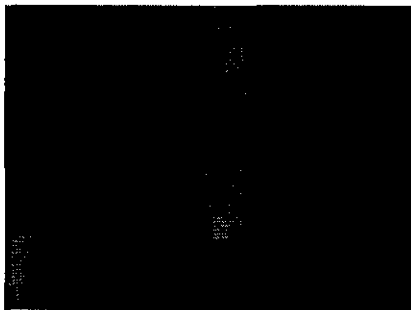


(Open – Full-screen SFP logo plus “Live on RFD-TV”)

[Max Armstrong – Voice-over] It’s another special presentation on RFD-TV Live, from SPECIALTY FERTILIZER PRODUCTS.

.....

(On-set)



[Max] Hello everyone, I’m agriculture broadcaster Max Armstrong joining you here on RFD-TV, and it’s a privilege to come into your home to answer some of your questions on these live RFD-TV Live broadcasts.

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Panelists Introductions (not included on video)

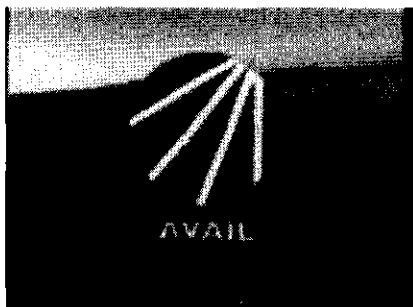
- Larry Sanders, PhD – Founder and CEO, SFP
- Jake Sanders – International Sales Coordinator, SFP
- Larry Murphy, PhD – SFP Consultant, President, Fluid Fertilizer Foundation

- Steve Green – Director of Product Development, Simplot Corporation (SFP Distributor)
- Terry Tindall, PhD – Sr. Agronomist, Simplot Corporation

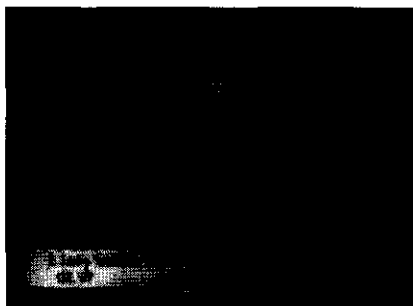
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[Max] Let's get a good look at the AVAIL story.

.....



[Voice-over] (video of farm fields) Research has shown up to 95% of phosphorous fertilizer can be fixed in the soil. And if it's fixed, it's not helping your crop or your bottom line. That's why SFP created AVAIL phosphorous fertilizer enhancers, the easy way to unlock your crop's potential (full-screen AVAIL logo).

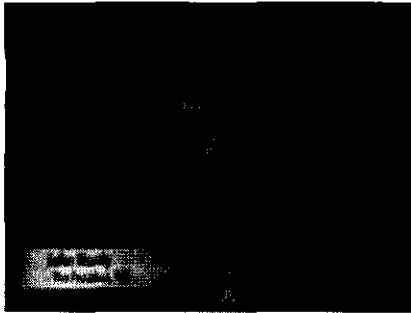


[Studio interview – Larry Sanders] Well, SPECIALTY FERTILIZER PRODUCTS is a research and development company. And we started the company on the basis that we could solve problems in agriculture. And there are some big problems in agriculture which have been with us maybe a hundred years in some cases, and especially with fertilizers.

[Studio interview - Jake Sanders] We looked to phosphorous and said to ourselves what can we do to improve phosphorous fertilizer efficiency. Universities show that 75% to 95% of phosphorous gets tied up in the soil, which means that the farmer is spending money and the product is not getting into the plant to provide benefit to him.



[Studio interview - Larry Murphy] Phosphorous, one of the essential elements, undergoes a series of very intense reactions that render it largely unavailable to plants once it's applied to the soil.



[Studio interview – John Hardy (VP, SFP)] Phosphate is necessary for every growing plant. If we can make it available to the plant, then the plant operates more efficiently.



[Studio interview - Larry Sanders] Conventional phosphorous fertilizer has a negative charge on it and when you place it in the soil, the positive ions in the soil attach to that phosphorous and precipitate it out, making it unavailable to the plant (animated graphic dramatization). When you apply AVAIL technology to the phosphorous, it is a negative charge – the phosphorous is a negative charge – the AVAIL attracts those positive charges in the soil that precipitate out the phosphorous, and it leaves the phosphorous free and available for the plant to take up.

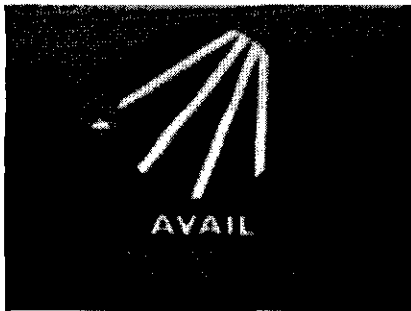
[Studio interview - Larry Murphy] The AVAIL polymer has really provided some very interesting and consistent benefits in terms of crop response – and ultimately profitability for the grower.

[Studio interview - Jake Sanders] This is a way to make phosphorous better. And that's what we're trying to do is take this product and improve existing chemistries of phosphorous and take those benefits to the grower.



[Studio Interview - Doug Anderson] We had about 12.8 bushel increase, and when you're riding the combine you're watching the yield monitors, and GPS - now with technology, you have the same corn. You've done everything (video of John Deere equipment harvesting corn) the same except for AVAIL you put in with your starter fertilizer. You're looking at numbers and you're thinking 'da-ding.' You know - money!

[Studio interview - J. Larry Sanders] You wouldn't buy a tractor that only ran 2-days a week. You wouldn't buy a seed hybrid that only germinated 25% of the time. So why would you buy a phosphorous fertilizer that only gives you 25% of what you bought? If you put AVAIL on that phosphorous, now you're making all that phosphorous available to that plant.



[Voice over] It's not results in the laboratory that matter most, it's your bottom line. So try AVAIL. And see for yourself the hidden potential in your crop. AVAIL – more green in your field for more green in your pocket.

(Closes with full-screen SFP & AVAIL Logos)

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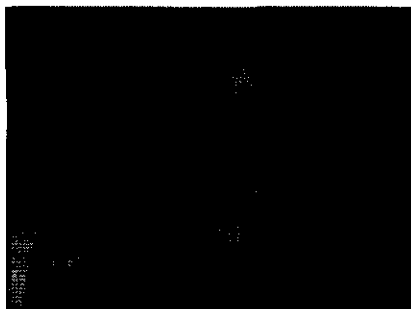
(On-Set)

[Max] I bet. Steve at SIMPLOT, you've got to be excited about it.



[Steve Green] Very excited to have the opportunity to work with a product like AVAIL ... to increase and compliment our existing fertilizer products that we manufacture and sell. We know that the growers have an efficiency concern on their phosphate. And we're excited to offer this solution to their problems and issues to increase their profits.

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[Max] Let's go to Minnesota. Caller, are you there with us from Minnesota?

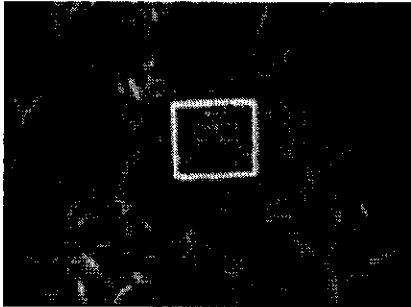
[Viewer call - John from Minnesota] Sure am. My name's John Head from Ghent, Minnesota. I'm the General Manager here.

[Max] Go right ahead with your question or comment.

[John from Minnesota] Ok. I just wanted to make a comment. We had a few growers try the AVAIL last year. And we had one that came thru ... right on thru harvest with some excellent results. We seen almost 20 bushel to the acre advantage with the AVAIL on the plot work that we did, otherwise everything else was normal that he'd been comparing with, and so he had an excellent return on investment.

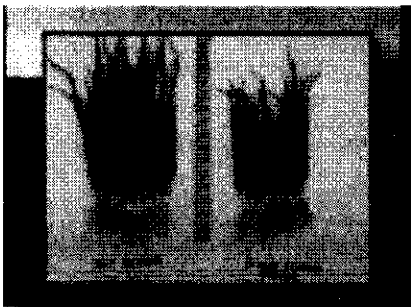
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[Larry Sanders] Actually we use water soluble polymers. And these polymers have a very significant difference than anything else we've ever seen in the past. We have like 20 patents on these polymers. And they have a very high charge density, and when placed in the soil they will prevent the phosphorous from being fixed and that's how the product works.



[Max] We have actually some photos to take a look at that show some comparisons. If we could take a look at those right now, Tom, and see the difference? (full-screen photo showing comparative rows of corn with and without AVAIL – with AVAIL plants larger and greener) We're looking at a cornfield here obviously, but somebody might explain {interruption}.

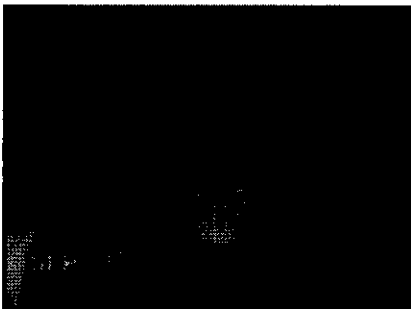
[Larry Murphy] I'll comment on that, Max. Sorry for interrupting. This is a study that was conducted in Kansas by Kansas State University, and on the left is the same rate of phosphorous – 60 P205 per acre – as on the right. The only difference being the presence of the AVAIL polymer coated on the fertilizer on the right at a quarter of a percent.



[Steve Green] (looking at a photo of two onion plants with & without AVAIL application) '... saying, would you take a look at the difference in these Onions?' And we looked at them, took their measurements, we gathered plants and there was a nice response. The growers were very enthusiastic about the response that they're seeing with the AVAIL technology.

[Max] Steve, availability of the product out there for producers across the country? It's readily available depending on where you are?

[Steve Green] Yes, Max, we're currently setting up distribution and have set up distribution in Western Canada down thru the United States and into Mexico. And any SIMPLOT GROWERS SOLUTIONS fertilizer dealers or other SIMPLOT fertilizer dealers have access to the AVAIL.

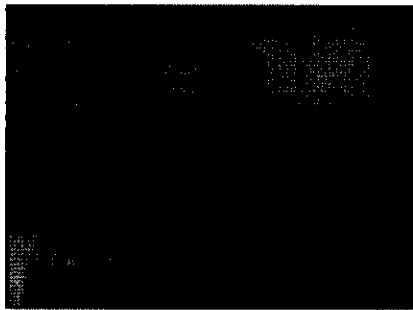


[Max] We're going to put a web address on the screen too in just a few minutes here momentarily so you can get some of your questions answered. Perhaps you can go to that website – there is a contact section there – and you can ... SPECIALTY-FERTILIZER-DOT-COM (graphic shows www.specialtyfertilizer.com), there it is. And you can fill in that blank and get your questions answered. Somebody from the company will come back to you and give you some additional information there.

.....

[Viewer call – Gary from Kentucky] I raise Kentucky-31 Fescue from the cow pastures and our soil here in Kentucky needs a lot of lime. Maybe two tons of lime per acre. And I've been using 5-20-20 at 3 to 4 hundred pounds per acre and having good results. But our fertilizer prices is getting so high up here I was wondering if it was available in Kentucky, what the price per ton would be, and about what you'd need to use on this kind of soil with the low PH?

[Max] Larry, you want to tackle part of that question?



[Larry Sanders] Yeah, I'll tackle part of that. It is available in Kentucky. MILES services that area, and they supply the product to the farmers and growers there. Normal rates ... follow your normal fertilizer rates is what we recommend. Whether it's your consultant or the university or the dealer that's making those recommendations, stick with your normal phosphorous fertilizer rates ... apply the AVAIL to it. You can put it in a dry fertilizer ... or you can inject it into liquid fertilizer products. The AVAIL does the same thing whether it's liquid chemistry or whether it's granular chemistry. And

the cost is going to vary depending on how much phosphorous you use. But normally it's less than \$5 an acre for a farmer.

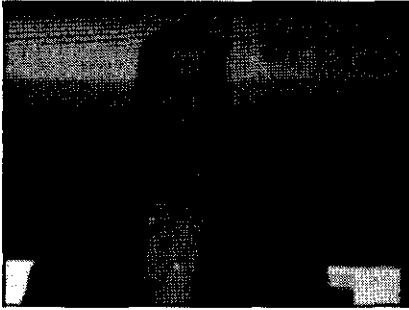
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[Max] So tell us a little bit more about J.R. SIMPLOT.

[Steve Green] The J.R. SIMPLOT COMPANY is a basic manufacturer of phosphate fertilizers. 11-52-O, 18-46 ... and also super-phos acid that's used to make 10-34 on the liquid side. We also have a retail marketing arm – SIMPLOT GROWER SOLUTIONS – and so we're ... that is anywhere from Minnesota down to Colorado and most of the Western U.S where we retail.

[Max] So clearly you want to see producers get the best results they possibly can with the product you sell.

[Steve Green] We're wanting to get the most money – most back – for the dollar they're spending on their phosphate fertilizer. And we want to offer these technologies to increase the efficiency of the phosphate that we're manufacturing.



[Larry Sanders] What we're doing with AVAIL is we're preventing that phosphorous from running off by the phosphorous being taken up in the plant. So it's a very effective material at overcoming phosphorous putrifaction of lakes and rivers and streams.

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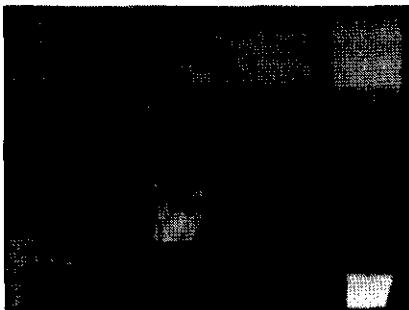
[Larry Sanders] Now that seems unreal for the time and age that we live in that we get such poor efficiency on a fertilizer nutrient like phosphorous.

[Max] Repeat those numbers one more time.

[Larry Sanders] 75%-95% of all the phosphorous applied to soils is tied up ... fixed unavailable for that crop. And it has a significant effect on the crop yield if you don't get that into the crop. So the farmer is spending a lot of money for a product that he's not getting into the crop and AVAIL will do the trick for him; it will prevent that phosphorous from being tied up, then he can utilize it. And we see 10%-15% increases in yields with AVAIL. That seems high, but if you look at the database, and I believe Dr. Murphy can expound on that, it's there.

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[Max] Folks might want a little more information on how they can get information after the broadcast tonight if they want to go online. You just went "live" with your website, I understand.



[Jake Sanders] That's true, we just launched a new website over the weekend actually replacing our old one, and that web address is (graphic shows www.specialtyfertilizer.com) SPECIALTY-FERTILIZER-DOT-COM. And they'll be able to find information about AVAIL there. And as you mentioned earlier, there's also a contact page where they can get more information should they desire it.

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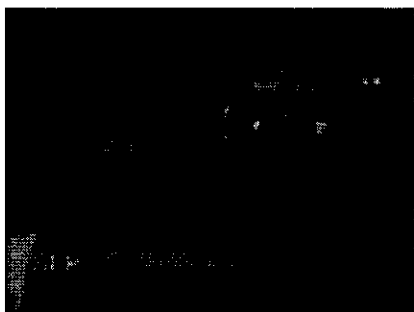
[Max] Steve, at SIMPLOT, I'm sure you've had the opportunity to gauge producer reaction to a variety of products that have come out there. Did AVAIL meet your expectations that you had going into it and what you would hear back from the producers?

[Steve Green] Yeah, Max, it's been really fun to give a lot of different grower meetings across the country and dealer meetings and to hear the responses prior to them using it, and then to come back and give grower meetings the next year, and hear the stories that they have to tell. They're very positive.

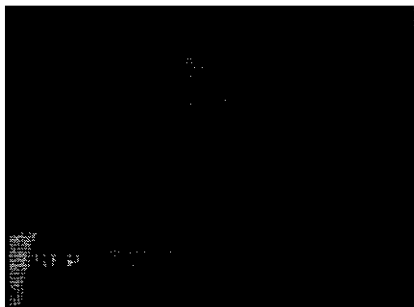
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[Max] I think you're there from the show me state of Missouri. Are you there with us?

[Viewer call – Jim from Missouri] Yes, Max.

[Max] Go right ahead.



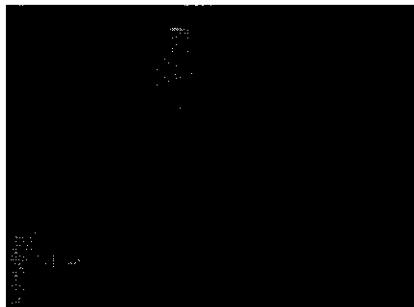
[Jim from Missouri] I hay and livestock farm in Missouri. Can AVAIL give your basic soil an increase in phosphorous tests without any additional applications of phosphorous?



.....
[Terry Tindall] We placed it directly below the sugar beet seed at a rate of AVAIL of 1 ½% by volume. The responses were remarkable. The return on invested capital was 3 to 1 with that type of response.

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(Wrap-up & Close)

[Max] Larry Murphy, how about a quick comment from you?

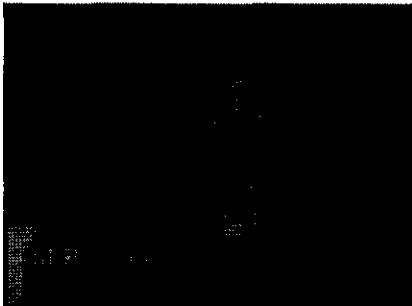


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[Larry Murphy] One word - bottom line. Is that one word? Maybe it's two! Anyway, profitability, Max. Returns are excellent. And that's what we have to look at.



[Jake Sanders] Absolutely. And can I just emphasize one thing with a lot of the calls in mind tonight and that would be: Any crop. Any soil. Any climate. AVAIL's gonna work out for you and it's gonna add a lot to your bottom line as Dr. Murphy said.

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[Max] For information you can go to the website SPECIALTY-FERTILZER-DOT-COM. Thanks for joining us here for the story about AVAIL on RFD-TV.

(fade to black)

[END]

(2) Highlights Video Transcript
RFD-Live with TRACTOR SUPPLY Company (TSC)
April 24, 2006

Total Program Length: 60 minutes
On set with TRACTOR SUPPLY Logo behind panelists
All graphic identification included TSC logo
All company & product brand names are identified here in CAPS

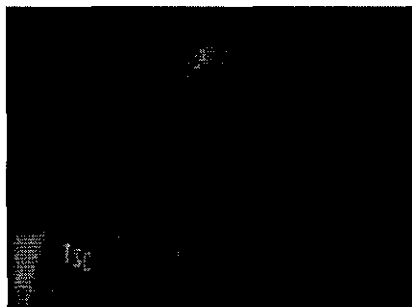


(Open – Full-screen TRACTOR SUPPLY Name & logo plus “Live on RFD-TV”)

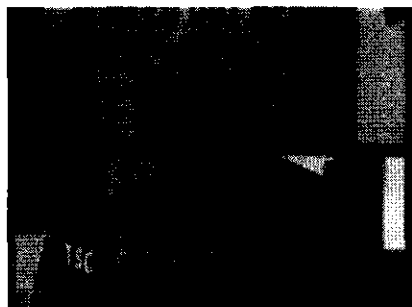
[Orion Samuelson – Voice-over] Good evening everyone and welcome to another RFD-TV Live here on Monday night.

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(Open – On Studio Set)



[Orion] I'm Orion Samuelson, and I'll be your host this evening with an interesting topic and some interesting guests and let's begin by introducing our special guests. First of all, we say welcome to Jerry Brase from TRACTOR SUPPLY Company. Jerry what do you do with TSC?



[Jerry] Thank you, Orion. I've been with TRACTOR SUPPLY now for about the last 8 ½ years and I have the privilege today of overseeing their merchandising or their buying functions and their logistics functions at TRACTOR SUPPLY. And as a company TRACTOR SUPPLY is just delighted to sponsor this episode – this segment, if you will – of RFD-TV.

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Remaining Panelists Introductions (not included on video)

- Jerry Brase, Sr. VP of Merchandising, TSC
- Krystal Cartwright – VP Sales of Consumer Products, PBI Gordon (TSC product supplier)
- Steve Reid – Agronomist, Ferry Morse (TSC product supplier)
- David Cook – Agricultural Extension Agent, Tennessee

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[Orion] TRACTOR SUPPLY Company –TSC – an interesting company. And Jerry, not only an interesting company, you're a lot more than a supplier to consumers, you [pause] you supply knowledge.

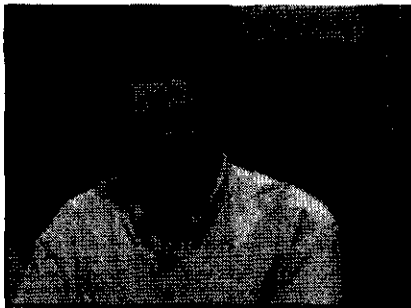


[Jerry] You know, that's exactly right on that, Orion. TRACTOR SUPPLY is over 600 stores in 34 states across this great country of ours. And we like to think of ourselves as being a 68 year "young" company, having been founded in 1938 and been serving people, and customers (graphic that shows www.myTSCStore.com), that live the rural lifestyle for all of the 68 years that, as a company, we've been in business. We like to think that we understand the lifestyle of our customers better than any other retailer in this country today. And, as a result, we believe that the sponsorship of TRACTOR

SUPPLY of RFD-TV is an absolute great fit for us collectively in that regard.

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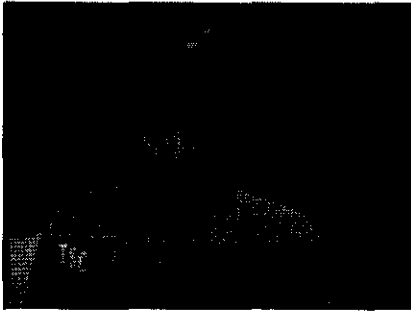
[Orion] Let's go from the front yard to the backyard out to the pasture, because that takes some specialty products I would guess.



[Steve] Yes, we supply products to TRACTOR SUPPLY that are specific for maybe the horse owner. Our HORSE MAX is a good product. And it's again regionalized for the different areas of the country.

.....

[Orion] Well now when it comes to products, Krystal, it's your turn. PBI GORDON, and what products do you present to the TRACTOR SUPPLY customer?



[Krystal] Well we have a variety of products, most of which are driven by the homeowner wanting either a weed-free lawn, a green healthy lawn, or you know, just a better quality of pasture for their livestock and horses.

.....

[Orion] Let's talk about the GROUNDWORK products that ...

[Krystal] OK

[Orion] ... we can share with people tonight that they'll find at the TRACTOR SUPPLY.



[Krystal] Well now and that's really exciting for us (full-screen still photo of GROUNDWORK brand products) because GROUNDWORK is available exclusively at TRACTOR SUPPLY. It is a brand that the TRACTOR SUPPLY folks have really taken a hard look at, and between the types of products that they have, the ingredients, the sizes, they've really tried to tailor a program that fits their customer that you wouldn't find at other retailers.

.....

[Viewer-call – Betsy from Kentucky] What do y'all recommend for like Dandelions and the Crabgrass? What would you all recommend?

[Orion] Ok, Krystal.

[Krystal] There ... (chuckle) there's a product that TRACTOR SUPPLY carries and it's called GROUNDWORK CRABGRASS KILLER ...

.....

(in response to viewer-call - Bobby, from North Carolina)



[Krystal] I think you're talking about Multi-flora Rose?

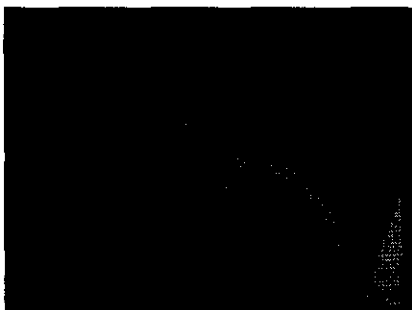
[Bobby] Yeah

[Krystal] Yes, ok, well you know. Good luck (chuckle)! Now is this a pasture that you have livestock on? Or not?

[Bobby] Yes, this summer we have livestock on it. Cattle.

[Krystal] Ok. There is a product that, you know, it'll suppress it on the first application and, you know, you're not going to get it with one application. I can tell you that. But if you'll make one in the Spring - and one again in the Fall - you'll have pretty good luck controlling it. And TRACTOR SUPPLY carries it. It's back in their agricultural chemical section and it's called PASTURE-PRO.

.....



[Krystal] The chemical name that I'm going to give you is called MERIT. M-E-R-I-T. That's the brand name. But if you go into any of your local garden centers or TRACTOR SUPPLY - I'm not - I - I believe TRACTOR SUPPLY carries a couple of products that contain MERIT. It's a pretty specialized...

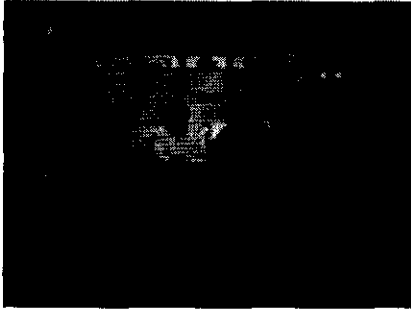
.....

[Orion] We put up with a skunk for another 30 to 45 days.

[Krystal] Well, the other thing you can do is go to TRACTOR SUPPLY. They carry several animal repellants that are very effective. You know they carry a snake repellant, a deer and rabbit repellant, rodent repellants. So that would be a short-term fix until you can kill the food source that the skunks are going after.

.....

(in response to viewer-call – Douglas from Texas)



[Krystal] TRACTOR SUPPLY has a product in their GROUNDWORK line that has the same ingredients as ROUND-UP. And they've got a value size for people that, you know, have a lot of area around fence lines too.



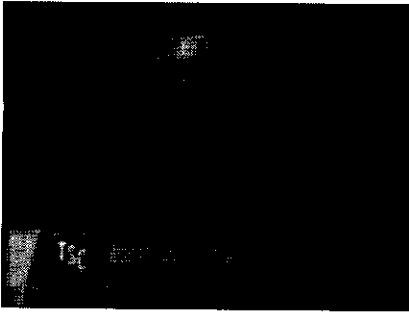
And it's called WEED & GRASS KILLER ...



[Krystal] A website to go to it's called www.weedalert.com (graphic displays Web address). And it has over 5 or 6 hundred weed species. And it will give you different recommendations based on, again, what we talked about earlier, the project you know the types of things. And then with that information he can go to his local TRACTOR SUPPLY store in Texas and find the product that would be right for his circumstances.

(Wrap-up & close)

[Jerry] Again, the best thing we do is hire people that live the lifestyle and are familiar with the natures of the challenges of the people living in the local area are faced with, Orion.



[Orion] Thank you. Thank you Jerry Brase. And thank you for joining us for this edition brought to you by TRACTOR SUPPLY of RFD-TV Live, Monday night.

(fade to black)

END

Exhibit D
RFD-TV Website

(1) <http://www.rfdtv.com/shows/superior.asp>

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TELEVISION NETWORK
FOR RURAL AMERICA



Superior Livestock AUCTION

What started out as an unconventional idea on the part of two livestock marketing veterans turned into the largest cattle auction in the United States. Jim Odle, owner of Odle Auctions, a video auction company in Brush, Colorado, and Buddy Jeffers, the owner of Amarillo Livestock Auction, and Amarillo Video Auction, had both been successful in conducting video auctions, but only on a regional basis. The merger of their companies, Superior Livestock Auction, created a national cattle market for buyers and sellers. At the time of the merger, their combined staff consisted of 15 representatives working in approximately six different states. Today, Superior has over 300 representatives with cattle marketed from 39 states nationwide.

When Buddy and Jim created Superior Livestock, both Odle Auction and Amarillo Livestock were conducting video auctions, but the auctions were not broadcast on satellite. The cattle were videotaped on the ranch and then shown on closed-circuit television in hotel ballrooms. Buyers had to travel to the sale site to bid on the cattle. Neither partner was totally convinced that broadcasting on the satellite would work, but they wanted to give it a shot.

Their unconventional idea became a proven success at their very first auction held in January, 1987, at the National Western Stock Show in Denver, Colorado. Over 87% of the cattle were sold over the telephone via C-B and satellite, even though some of the largest cattle buyers in the U.S. were present in the audience.

In 1989, John McKinley purchased an interest in Superior Livestock. John brought with him a rich heritage in the livestock marketing business, having grown up working with his father, who was a partner in McKinley-Winters Livestock Auction in Dodge City, Kansas.

When Superior Livestock Auction introduced national satellite video marketing to the livestock industry, they forever changed the way load lots of cattle would be sold. Up until the creation of Superior Livestock, most cattle were sold by private treaty between ranchers and local order buyers, and dealers. Superior maximized the exposure of the seller's cattle. Buyers could now sit in the convenience of their homes or offices to view, evaluate and make selections from cattle across the county.

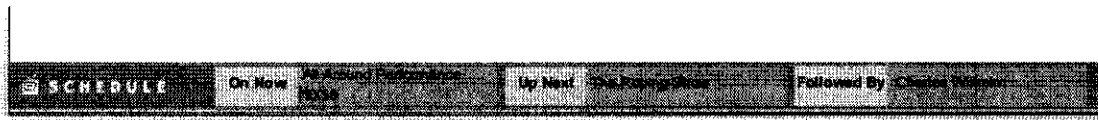
Buyers were able to view and buy cattle from areas all across the country, a feat that would have been prohibitive in terms of time and mileage prior to the advent of satellite marketing. Sellers benefit from the fact that their cattle are videotaped in their natural environment and don't move until the delivery date. Superior has created a national livestock market, where price discovery is attained through competitive bidding at a live auction. Cattle are sold without regard to local climate conditions to a greatly expanded buyer base. In 2002 Superior Livestock Auction teamed up with RFD-TV on the digital dish. Today, Superior sells over 1.3 million head of cattle a year over the television.

Contact Information:

Superior Livestock Auction, Inc.
Video Horse Auctions
P O Box 38
Brush, CO 80723
800-422-2117 - Fort Worth, Texas office
800-523-6610 - Brush Business office
www.superiorlivestock.com
email: joe@superiorlivestock.com

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<http://rfdtv.com/shows/superior.asp> (2 of 2) 5/18/2006 4:51:29 PM

(2) <http://www.rfdtv.com/auctions.asp>

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How Does A Video Livestock Auction Work? [Click here for the Superior Livestock Schedule.](#)

Have you ever watched a Superior Livestock video auction on RFD-TV and wondered what they mean when they talk about a "slide," what is "shrink," or what the graphics on the screen mean? Maybe you were curious about how you sell cattle on a Superior auction, or how you could buy cattle or horses on one of the "live" auctions. We thought the best way to answer many of these questions would be to go through a step-by-step process of how cattle producers consign cattle to a Superior auction, and what must be done if an individual or company wanted to buy livestock on one of these auctions.

Regular SLA Auction Overview

Superior Livestock only sells cattle in truck load lots (48,000 lbs of cattle), so its services cannot be used by every cattleman. The number of cattle the buyer is bidding on is the number of cattle in the lot. A buyer cannot just buy one or two head, he or she must take all of them. For those producers who have enough cattle to sell in load lots, the process begins when a producer contacts one of the over 400 Superior representatives located throughout the United States. The name of the closest representative can be obtained on Superior's web site or by calling one of the Superior offices. The representative goes to the producer's farm or ranch and completes a consignment contract. This "fill in the blank" contract describes the cattle as to number of head to be sold, the projected weight at time of delivery (base weight), breed type, delivery date, weighing conditions, vaccination program, etc. The cattle are filmed by the representative at that time. A consignment fee of \$2.00/head is paid by the producer for calves or yearling cattle, and \$5/head for bred stock. This consignment contract is forwarded to Superior's Brush, Colorado office where the information is entered into a database. After all of the contracts have been received, the sale order for the next auction is established and the auction catalog is printed and mailed to all qualified buyers. This information is also available for each auction on the Superior Livestock web site. The catalog is mailed early enough so that the buyers have time to select the lots they are interested in, and visit with the Superior representative that has described the cattle, if needed.

The film of the cattle is sent to Superior's Fort Worth, TX offices for editing. Superior's experienced film editors edit the field tape down to 2 1/2 minutes of the best footage. After all tapes are edited, a one-hour preview is prepared and broadcast prior to the auction. This allows the buyers to get a brief view of the cattle prior bidding on the cattle to compare to the information listed in the sale catalog or printed from the Internet.

Let's Start The Auction

Once the auction begins, the Superior representative is in contact with the seller as that seller's cattle are being sold. After the auctioneer has obtained the highest price possible and sells the cattle, the seller has the right to accept or reject the bid. If a seller does not think that the cattle sold high enough they can "no sale" or "pass out" (P.O.) the cattle. This must be done before the next lot is sold, which the auctioneer announces.

During the auction a basic description of each lot is shown on the screen as the cattle sell. The lot number, number of head, sex, estimated weight at delivery, location and delivery date is shown. The price being asked is shown in the upper left of the television screen. When calves or yearlings are being sold, the price shown is per hundred pounds. When bred heifers or cows are being sold, the price shown is per head. If there is a change from the catalog in the head count, base weight or delivery date that change will flash red on the screen, and the auctioneer will announce these changes.

Following the auction a copy of the sale contract, along with a part-payment, is mailed to the seller. The buyer also receives a copy of the sales contract and pays a part-payment to Superior.

The two most frequently asked questions are: what is "slide" and what is "shrink". As you have noticed, the heavier the cattle are, the less they bring on a per pound basis. Since the "base weight" is just an estimate of what the cattle will weigh on the day of delivery, the slide is the method by which the price per hundred weight can be lowered if the cattle weigh more than projected at delivery. If the slide is 4

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cents, then the hundred weight price will be reduced 4 cents for each pound the cattle average over the base weight. (Example: Cattle sell for \$100/cwt with a base weight of 700 lbs and a 4 cent slide. On the day of delivery they average 710 lbs or 10 lbs into the slide. Ten pounds x 4 cents = 40 cents. One hundred dollars minus 40 cents = \$99.60, so the new price on the cattle is \$99.60 per hundred weight.)

The "shrink" is an established standard within the cattle industry to adjust for the stomach content in the animals when weighing. Since the buyer doesn't want to pay for that, the actual weight of the cattle is adjusted by the amount of the "shrink". (Example: A load of cattle are weighed with a 2% shrink. The "pay weight" will be 98% of the actual weight of the cattle.) All cattle sold on Superior are sold F.O.B. the seller's farm or ranch, so the buyer will send his trucks to get the cattle. The Superior representative will coordinate with the buyer and seller to set up the delivery date and inform the buyer where to have his trucks and at what time.

On the day of delivery the Superior representative will sort the cattle to comply with the description in the contract, weigh the cattle and issue a check drawn on Superior's bonded custodial account to the seller. The seller is charged a 2% sales commission for marketing his calves or yearlings through Superior. If bred stock is marketed the commission is 3%. The commission is deducted from the proceeds check at delivery. The buyer will wire the amount owed for the cattle to Superior after the cattle arrive at his ranch or feedlot. The only other cost to the buyer is the freight. If an individual wishes to purchase cattle on Superior, he or she must first register as a buyer before the day of the sale. They will furnish their name, address, phone numbers and a banking reference to Superior. The financial capabilities of the prospective buyer is verified with the financial institution before a buyer's number is issued to the individual.

When a buyer wishes to bid on cattle, he or she will dial the private telephone bid line at the auction prior to that lot being offered. They will furnish their name and buyer's number to the Superior representative they are talking to at the auction and that person will bid to the auctioneer at the direction of the buyer. An estimated time for the sale of each lot is listed for each auction on the Superior Livestock web site, by clicking Time Schedule under Video Auctions.

Purebred Cattle Auctions

Many purebred cattle breeders have seen the advantage of broadcasting their bull and female production auctions via satellite. The increased exposure and new buyers have resulted in more successful auctions for the breeders. Many of these breeders are featured in The American Rancher television series on RFD-TV, which gives viewers the opportunity to get a real behind-the-scenes look at that operation, the history of that ranch and its stock, and the families that are carrying on the great tradition of that ranch.

These purebred auctions are a little different from the regular Superior auctions in that Superior does not actually conduct the auction, the breeder does. Superior is printed in each issue of RFD-TV The Magazine and also listed on the Superior Livestock web site, under "Superior Productions". Individuals may register as a buyer by contacting the breeder or calling Superior.

Production Horse Auctions

In recent years, several registered Quarter Horse breeders have utilized the capabilities of Superior Livestock Auction and RFD-TV to broadcast their production auctions "live" from their ranch or sale barn. These are not consignment auctions, but instead are horses that were bred and raised by the breeder.

As with the purebred cattle auctions, an individual may register as a buyer by either contacting the breeder or Superior Livestock.

At the present time Superior does not conduct consignment horse auctions where an individual with one or two horses can consign them to an auction.

We hope this has answered many of the questions regarding how the Superior auction you see on RFD-TV works. If you want more information about buying or selling livestock on Superior you can call 817-624-3800, or log on to www.superiorlivestock.com.

[Click here for the Superior Livestock Schedule.](#)

Superior Livestock Auction

131 East Exchange Ave. Suite 121
Fort Worth, TX 76106
817-624-3800
info@superiorlivestock.com
www.superiorlivestock.com
Superior Livestock Auction, Inc.

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PO Box 38, Brush, CO 80723
800-422-2117 - Fort Worth, Texas office
800-523-6610 - Brush Business Office



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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of


RFD Communications, Inc.
DBS Set-Aside Qualifications

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)
)

MB Docket No. 06-92

DECLARATION OF JEFFREY A. PENCE

1. My name is Jeffrey A. Pence. I am the President of Farm Journal Electronic Media, an operating division of Farm Journal, Inc.
2. I have read the foregoing "Comments of Farm Journal, Inc.," and I am familiar with the contents thereof.
3. The transcripts submitted with these Comments of Farm Journal, Inc. include true and accurate transcriptions of programming appearing on RFD-TV, as described in these Comments of Farm Journal, Inc.
4. The digital video disc ("DVD") submitted with these Comments of Farm Journal, Inc. includes true and accurate copies of programming appearing on RFD-TV, as described in these Comments of Farm Journal, Inc. (except for minor, non-substantive text overlayed on the video to indicate the title and date of the recorded programming).
5. I declare under penalty of perjury that the factual matters stated herein, other than those assertions of which the Federal Communications Commission may take official notice, are true and correct to the best of my knowledge and belief.



Jeffrey A. Pence

May 19, 2006

DOCKET NO. 06-92

Attachment A

DOCUMENT OFF-LINE

This page has been substituted for one of the following:

- o This document is confidential (**NOT FOR PUBLIC INSPECTION**)
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- o Microfilm, microform, certain photographs or videotape.
- o Other materials which, for one reason or another, could not be scanned into the ECFS system.

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1 CD Room